

Amendment No. 1 to SB0675

Dickerson  
Signature of Sponsor

**AMEND Senate Bill No. 675\***

**House Bill No. 1450**

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 12, Chapter 3, Part 11, is amended by adding the following new section:

(a) There is created a Tennessee small business reserve pilot program as a pilot initiative aimed at ensuring that eligible businesses are afforded the maximum equitable opportunity to participate in this state's procurement process through a sheltered market. The pilot program expires December 31, 2023, and must be initiated and supervised by the department in coordination with the department of economic and community development and the governor's office of diversity business enterprises.

(b) Under the pilot program, all state governmental entities shall select certain contracts to award to eligible businesses through a sheltered market as follows:

(1) In determining whether a particular contract is eligible for the sheltered market, state governmental entities must consider whether there are eligible businesses that are capable and available to bid on the contract;

(2) If eligible businesses are identified under subdivision (b)(1), then the state government entity shall offer the contract for bid only to eligible businesses; and

(3) If a responsive and responsible bid or proposal is not received for a contract that has been designated for the sheltered market, or the low bid is determined to be too high, the contract may be removed from the sheltered market.

Amendment No. 1 to SB0675

Dickerson  
Signature of Sponsor

AMEND Senate Bill No. 675\*

House Bill No. 1450

(c)

(1) Businesses eligible to participate in the pilot program are those that:

(A) Are listed in the directory published by the governor's office of diversity business enterprises pursuant to § 12-3-1103(d); and

(B) Have an average of less than one million dollars (\$1,000,000) in gross receipts each year over the previous three (3) years.

(2) The governor's office of diversity business enterprises shall determine the businesses eligible to participate and produce a list of such businesses for dissemination to all state governmental entities.

(d) During the pilot program, state governmental entities shall consider whether a particular project or service subject to a contract bid could be separated into smaller contracts that would allow the contract to be bid under the pilot program.

(e)

(1) The chief procurement officer shall include a progress report on the pilot program in the annual report required under § 12-3-1107.

(2) The department shall produce a report on the pilot program after the pilot program concludes and submit the report to the state and local government committee of the senate and the state government committee of the house of representatives no later than February 29, 2024.

SECTION 2. For purposes of performing administrative actions, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes, this act shall take effect January 1, 2020, the public welfare requiring it.